

City Light Issue Paper (CLIP)			
Surplus Property Disposition Procedures			
Date of this Brief	December 12, 2012		
Supersedes	N/A		
Key Contacts	Name(s)	Phone	Short Title
	Lynn Best	6-4586	SCL Director, Env Affairs & Real Estate
	Dave Barber	4-0400	SCL Real Estate Manager
Council Action Required?	Y	If YES, within the next 3 months?	Y
Public Hearing Required?	N		
Presenters (if applicable)	Jorge Carrasco, Lynn Best and Dave Barber		

### Summary Statement

This resolution would adopt revised procedures for determining the appropriate disposition of surplus properties under the jurisdiction of Seattle City Light. City Light is requested to report back to the City Council on the outcome of circulation of these properties to other City departments and public agencies, and on community outreach, together with City Light's recommendations for dispositions of the properties.

### Background

Seattle City Light has a large inventory of surplus properties. Most of these are former 4 kV substations no longer needed because of conversion to the more efficient 26 kV electrical distribution system. The City's current procedures for determining the appropriate disposition for surplus properties are provided by Resolution Nos. 29799 and 30862.

By Resolution No. 31317, the City Council requested City Light to conduct a Surplus Property Disposition Pilot Project to test an alternative process for determining the appropriate disposition of surplus utility properties. The alternative process is similar in many respects to the procedures under Resolution Nos. 29799 and 30862, but adds additional elements to improve community outreach by providing citizens and community groups with better information on the disposition issues as they relate to City Light property. The process is also more efficient to implement.

New procedures specific to the alternative procedures intended to improve the outreach process are:

- All of the City Light surplus properties in one geographic area of the City are addressed at the same time. This provides the community and interested citizens in the selected geographic area the opportunity to more effectively assess all of the surplus properties available in their neighborhood. It was also more efficient and convenient for each neighborhood.

- In community meetings, City Light will explain the internal vetting process and the constraints that the City must observe in the use or disposition of municipal utility properties, which include the following key points:
  - ❖ City of Seattle properties under the jurisdiction of City Light cannot be used for non-utility functions or activities such as parks, community gardens, or housing.
  - ❖ If another City department such as Parks or the Department of Neighborhoods wishes to acquire a City Light property for non-utility use, the City Council must transfer jurisdiction to the receiving City department. That department must compensate City Light for the true and full value of the property.
- Public hearings are held in each community during evening hours rather than just downtown during business hours. This is intended to encourage and provide more opportunities for community participation and citizen input.

Over the past year, City Light conducted a Surplus Pilot Project which studied six properties, five in Northeast Seattle and one on North Beacon Hill. The Pilot Project was considered highly successful.

- Meetings and hearings were held in the neighborhoods in evening hours.
- Between 250 and 300 people attended these meetings to discuss the properties.
- Meetings resulted in open and thoughtful discussion of the issues.
- The Parks Department attended meetings to discuss park issues.
- City Light received positive feedback for the process, meetings in the communities, Parks' participation, and good information.
- A large majority of those attending the meetings supported a sale of the properties.

City Light reported back to the City Council on the results of the Pilot Project in August, and the City Council authorized the sale of the six properties by Ordinance 124013 in October, 2012.

The Department of Finance and Administrative Services has monitored the Surplus Pilot Project, and with City Light, now recommends that the City Light be authorized to use the alternative procedures to study and recommend the appropriate disposition for additional surplus properties under the jurisdiction of City Light.

The City Light 8<sup>th</sup> and Roy Street property is a high-value, surplus property with unique circumstances. City Light will return to consult with the City Council for additional guidance on the disposition of 8<sup>th</sup> & Roy Street in early 2013. City Light plans to send separate legislation to the Council for the disposition of this property.

### **Key Issues**

- This resolution would provide alternative surplus property disposition procedures to those provided by Resolution Nos. 29799 and 30862.
- City Light would report back to the City Council on the outcome of circulation to other City departments and public agencies, and on the community outreach required by the revised procedures, together with City Light's recommendations for the appropriate disposition for the properties considered under these procedures.
- The transfer of jurisdiction of a surplus City Light property to another City department for a non-utility purpose, or the sale of any properties, would require City Council authorization by ordinance.

### **Next Steps**

1. City Light would chose another geographic area and group of surplus properties for implementation of the alternative disposition procedures.
2. The properties would first be circulated to other City departments to determine if there was a City need for any of the properties, and then to other public agencies to determine if there was any other public need for the properties.
3. City Light would begin the community outreach process of consultation with DON, attending District Council and community meetings, implementing a website, posting signage, providing notice to nearby owners and tenants, soliciting comments, and holding public hearings.